

**Application for Recognition of Exemption**  
**Under Section 501(c)(3) of the Internal Revenue Code**

To be filed in the District  
in which the organization  
has its principal office or  
place of business.

This application, when properly completed, shall constitute the notice required under section 508(a) of the Internal Revenue Code in order that organizations may be treated as described in section 501(c)(3) of the code, and the notice under section 508(b) appropriate to those organizations claiming not to be private foundations within the meaning of section 509(a).

**Part I.—Identification (See instructions)**

1 Full name of organization <b>Mountain States Legal Foundation</b>		2 Employer identification number (If none, attach Form SS-4) <b>Form SS-4 is attached</b>				
3(a) Address (number and street) <b>1845 Sherman, Suite 600</b>						
3(b) City or town, State and ZIP code <b>Denver, Colorado 80203</b>		4 Name and phone number of person to be contacted <b>Clifford Rock 303/861-0244</b>				
5 Month the annual accounting period ends <b>December</b>	6 Date incorporated or formed <b>April 25, 1977</b>	7 Activity Codes (see instructions) <table border="1"><tr><td><b>460</b></td><td><b>124</b></td><td><b>123</b></td></tr></table>		<b>460</b>	<b>124</b>	<b>123</b>
<b>460</b>	<b>124</b>	<b>123</b>				

**Part II.—Organizational Documents (See instructions)**

- 1 Attach a conformed copy of the organization's creating instruments (articles of incorporation, constitution, articles of association, deed of trust, etc.).
- 2 Attach a conformed copy of the organization's by-laws or other rules for its operation.
- 3 If the organization does not have a creating instrument, check here (See instructions) ☐

**Part III.—Activities and Operational Information (See instructions)**

- 1 What are or will be the organization's sources of financial support? List in order of magnitude. If a portion of the receipts is or will be derived from the earnings of patents, copyrights, or other assets (excluding stock, bonds, etc.), identify such item as a separate source of receipt. Attach representative copies of solicitations for financial support.

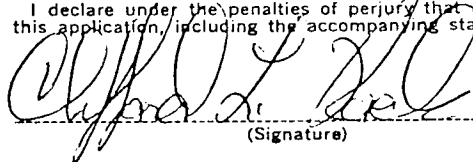
Charitable contributions from the public, business organizations, foundations and other persons will be the primary sources of financial support.

Representative copies of solicitations for financial support are attached hereto as Exhibit A.

- 2 Describe the organization's fund-raising program and explain to what extent it has been put into effect. (Include details of fund-raising activities such as selective mailings, formation of fund-raising committees, use of professional fund raisers, etc.)

Efforts are being made to obtain contributions from firms and individuals throughout the Rocky Mountain area, primarily by personal solicitation and direct mailings to the general public and businessmen.

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and I have examined this application, including the accompanying statements, and to the best of my knowledge it is true, correct and complete.

  
(Signature)

Vice President of Public Affairs

(Title or authority of signer)

(Date)

## Part III.—Activities and Operational Information (Continued)

- 3 Give a narrative description of the activities presently carried on by the organization, and also those that will be carried on. If the organization is not fully operational, explain what stage of development its activities have reached, what further steps remain for the organization to become fully operational, and when such further steps will take place. The narrative should specifically identify the services performed or to be performed by the organization. (Do not state the purposes of the organization in general terms or repeat the language of the organizational documents.) If the organization is a school, hospital, or medical research organization, include sufficient information in your description to clearly show that the organization meets the definition of that particular activity that is contained in the instructions for Part VII-A on page 3 of the instructions.

The Foundation is a Colorado nonprofit corporation, incorporated April 25, 1977. The Foundation is in the process of qualifying to do business in Arizona, Idaho, Montana, Nevada, New Mexico, Utah and Wyoming. A small staff for the Foundation has recently been developed, and will be further developed to provide for a functional team competent in fund-raising activities and future litigation.

The Foundation is just beginning to engage in litigation of matters involving the public interest. All proposed litigation will be reviewed by an advisory board. A board or committee representative of the public interest will have the responsibility for the policies and programs for litigation. Such board or committee will not be controlled by persons who litigate on behalf of any organization that is not exempt under the Internal Revenue Code.

Litigation will be determined by guidelines set forth by the Internal Revenue Service and by the following public interest criteria. Is there a broad public interest issue involved or only a private interest? Are other individuals or groups effectively handling the broader public issue raised by the case? Is there a demonstratable need for the expertise and assistance that could be furnished? Can the individual or groups with a standing in the case afford to retain private legal counsel?

At the present time, the Foundation does not intend to engage in research projects, except as incidental to litigation undertaken by the Foundation. If research projects are carried on in the future, the type of research contemplated would be in the field of law. Research projects will be determined by the Foundations's staff in connection with advisory councils consisting of academicians, businessmen, and other professionals with relevant expertise.

**Part III.—Activities and Operational Information (Continued)****4** The membership of the organization's governing body is:

(a) Names, addresses, and duties of officers, directors, trustees, etc.	(b) Specialized knowledge, training, expertise, or particular qualifications
See attached Exhibit B	

- (c) Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? . . . . . ☐ Yes ☒ No  
If "Yes," please name such persons and explain the basis of their selection or appointment.

- (d) Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See specific instructions 4(d).) . . . ☐ Yes ☒ No  
If "Yes," please explain.

- 5** Does the organization control or is it controlled by any other organization? . . . . . ☐ Yes ☒ No  
Is the organization the outgrowth of another organization, or does it have a special relationship to another organization by reason of interlocking directorates or other factors? . . . . . ☐ Yes ☒ No  
If either of these questions is answered "Yes," please explain.

The National Legal Center for the Public Interest (NLCPI) has assisted in the organizational phase, and it is anticipated that the Foundation will share information with the NLCPI and similar organizations for mutual assistance.

- 6** Is the organization financially accountable to any other organization? . . . . . ☐ Yes ☒ No  
If "Yes," please explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been rendered.

- 7** What assets does the organization have that are used in the performance of its exempt function? (Do not include income producing property.) If any assets are not fully operational, explain what stage of completion has been reached, what additional steps remain to be completed, and when such final steps will be taken.

None

**Part III.—Activities and Operational Information (Continued)****8 (a)** What benefits, services, or products will the organization provide with respect to its exempt function?

The Foundation will provide legal representation on issues of significant public interest where such representation is not ordinarily provided by private law firms. It will also conduct non-partisan research concerning the effect of evolving concepts of Law on our democratic institutions.

- (b)** Have the recipients been required or will they be required to pay for the organization's benefits, services, or products? . . . . . ☐ Yes ☒ No

If "Yes," please explain and show how the charges are determined.

**9** Does or will the organization limit its benefits, services or products to specific classes of individuals? . . . ☐ Yes ☒ No

If "Yes," please explain how the recipients or beneficiaries are or will be selected.

**10** Is the organization a membership organization? . . . . . ☐ Yes ☒ No

If "Yes," complete the following:

- (a)** Please describe the organization's membership requirements and attach a schedule of membership fees and dues.

- (b)** Are benefits limited to members? . . . . . ☐ Yes ☐ No

If "No," please explain.

- (c)** Attach a copy of the descriptive literature or promotional material used to attract members to the organization.

**11** Does or will the organization engage in activities tending to influence legislation or intervene in any way in political campaigns? . . . . . ☐ Yes ☒ No

If "Yes," please explain.

**Part IV.—Statement as to Private Foundation Status (See instructions)****1** Is the organization a private foundation? . . . . . ☐ Yes ☒ No**2** If question 1 is answered "No," indicate the type of ruling being requested as to the organization's status under section 509 by checking the applicable box below:

- ☐ Definitive ruling under section 509(a)(1), (2), (3), or (4) — complete Part VII.  
☒ Advance or extended advance ruling under section 509(a)(1) or (2) — See instructions.

**3** If question 1 is answered "Yes," and the organization claims to be a private operating foundation, check here ☐ and complete Part VIII.

**Part V.—Financial Data (See instructions)** See attached Exhibit C

Statement of Receipts and Expenditures, for period ending \_\_\_\_\_, 19\_\_\_\_\_

**Receipts**

1	Gross contributions, gifts, grants and similar amounts received . . . . .	
2	Gross dues and assessments of members . . . . .	
3	Gross amounts derived from activities related to organization's exempt purpose	
	Less cost of sales . . . . .	
4	Gross amounts from unrelated business activities . . . . .	
	Less cost of sales . . . . .	
5	Gross amount received from sale of assets, excluding inventory items (attach schedule) . . . . .	
	Less cost or other basis and sales expense of assets sold . . . . .	
6	Interest, dividends, rents and royalties . . . . .	
7	<b>Total receipts</b> . . . . .	

**Expenditures**

8	Contributions, gifts, grants, and similar amounts paid (attach schedule) . . . . .	
9	Disbursements to or for benefit of members (attach schedule) . . . . .	
10	Compensation of officers, directors, and trustees (attach schedule) . . . . .	
11	Other salaries and wages . . . . .	
12	Interest . . . . .	
13	Rent . . . . .	
14	Depreciation and depletion . . . . .	
15	Other (attach schedule) . . . . .	
16	<b>Total expenditures</b> . . . . .	
17	Excess of receipts over expenditures (line 7 less line 16) . . . . .	

**Balance Sheets**Enter  
dates ►

Beginning date

Ending date

**Assets**

18	Cash (a) Interest bearing accounts . . . . .		
	(b) Other . . . . .		
19	Accounts receivable, net . . . . .		
20	Inventories . . . . .		
21	Bonds and notes (attach schedule) . . . . .		
22	Corporate stocks (attach schedule) . . . . .		
23	Mortgage loans (attach schedule) . . . . .		
24	Other investments (attach schedule) . . . . .		
25	Depreciable and depletable assets (attach schedule) . . . . .		
26	Land . . . . .		
27	Other assets (attach schedule) . . . . .		
28	<b>Total assets</b> . . . . .		

**Liabilities**

29	Accounts payable . . . . .		
30	Contributions, gifts, grants, etc., payable . . . . .		
31	Mortgages and notes payable (attach schedule) . . . . .		
32	Other liabilities (attach schedule) . . . . .		
33	<b>Total liabilities</b> . . . . .		

**Fund Balance or Net Worth**

34	<b>Total fund balance or net worth</b> . . . . .		
35	<b>Total liabilities and fund balance or net worth (line 33 plus line 34)</b> . . . . .		

**Part VI.—Required Schedules for Special Activities (See instructions)**If "Yes,"  
check  
here;And,  
complete  
schedule—

1	Is the organization, or any part of it, a school? . . . . .		<b>A</b>
2	Does the organization provide or administer any scholarship benefits, student aid, etc.? . . . .		<b>B</b>
3	Has the organization taken over, or will it take over, the facilities of a "for profit" institution? . . . .		<b>C</b>
4	Is the organization, or any part of it, a hospital? . . . . .		<b>D</b>
5	Is the organization, or any part of it, a home for the aged? . . . . .		<b>E</b>
6	Is the organization, or any part of it, a litigating organization (public interest law firm or similar organization)? . . . . .	X	<b>F</b>

**Part VII.—Non-Private Foundation Status (Definitive ruling only)****A.—Basis for Non-Private Foundation Status**

The organization is not a private foundation because it qualifies as:

✓	Kind of organization	Within the meaning of	Complete
1	a church	Sections 509(a)(1) and 170(b)(1)(A)(i)	
2	a school	Sections 509(a)(1) and 170(b)(1)(A)(ii)	
3	a hospital	Sections 509(a)(1) and 170(b)(1)(A)(iii)	
4	a medical research organization operated in conjunction with a hospital	Sections 509(a)(1) and 170(b)(1)(A)(iii)	
5	being organized and operated exclusively for testing for public safety	Section 509(a)(4)	
6	being operated for the benefit of a college or university which is owned or operated by a governmental unit	Sections 509(a)(1) and 170(b)(1)(A)(iv)	Part VII.—B
7	normally receiving a substantial part of its support from a governmental unit or from the general public	Sections 509(a)(1) and 170(b)(1)(A)(vi)	Part VII.—B
8	normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions)	Section 509(a)(2)	Part VII.—B
9	being operated solely for the benefit of or in connection with one or more of the organizations described in 1 through 4, or 6, 7 and 8, above	Section 509(a)(3)	Part VII.—C

**B.—Analysis of Financial Support**

	(a) Most recent taxable year	(Years next preceding most recent taxable year)			(e) Total
		(b) 19.....	(c) 19.....	(d) 19.....	
1	Gifts, grants, and contributions received . . . . .				
2	Membership fees received . . . . .				
3	Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity which is not an unrelated business within the meaning of section 513 . . . . .				
4	Gross income from interest, dividends, rents and royalties . . . . .				
5	Net income from organization's unrelated business activities . . . . .				
6	Tax revenues levied for and either paid to or expended on behalf of the organization . . . . .				
7	Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge) . . . . .				
8	Other income (not including gain or loss from sale of capital assets)—attach schedule . . . . .				
9	Total of lines 1 through 8 . . . . .				
10	Line 9 less line 3 . . . . .				
11	Enter 2% of line 10, column (e) only . . . . .				
12	If the organization has received any unusual grants during any of the above taxable years, attach a list for each year showing the name of the contributor, the date and amount of grant, and a brief description of the nature of such grant. Do not include such grants in line 1 above. (See instructions)				

**SCHEDULE F.—Litigating Organizations (Public Interest Law Firms and Similar Organizations)**

- 1** Will the organization conform to the guidelines for organizations engaged in litigation activities issued by the Internal Revenue Service in Rev. Proc. 71-39, C.B. 1971-2, 575? . . . . . ☒ Yes ☐ No  
If "No," please explain.

- 2** What is the organization's area of public interest or concern?  
Effective government, preservation of fundamental constitutional rights and other matters of major public interest concerning continuation of our democratic institutions.

- 3** Is the organization set up primarily to try the case of a particular person or prosecute a particular cause of action? . . . . . ☐ Yes ☒ No  
If "Yes," please explain.

- 4** What are the organization's criteria for selection of cases?

See Part III, Question 3.

- 5** In what cases has the organization started legal proceedings and in what other cases is it preparing to start proceedings? Please describe the legal issues with respect to each case and explain how they relate to the organization's area of concern.

See attached Exhibit D

- 6 (a)** Composition of the organization's board of directors or trustees:

Name and address	Business or Occupation
See attached Exhibit B	

- (b)** Will any of the attorneys hired by the organizations be a trustee or member of the board of directors of the organization or be associated in the practice of law with any such trustee or member? . . . . . ☐ Yes ☒ No  
If "Yes," please explain.

- 7** Does or will the organization share office space with a private law firm? . . . . . ☐ Yes ☒ No  
If "Yes," please explain.

- 8** Does or will the organization receive fees for its professional services? . . . . . ☐ Yes ☒ No  
If "Yes," please explain.



1845 Sherman St. • Denver, CO 80203 • (303) 861-0244

EXHIBIT A

Thank you for attending the luncheon for the advancement of the Mountain States Legal Foundation. This meeting generated a great deal of enthusiasm for the MSLF and its objective of preserving our traditional American values by providing a balanced viewpoint within our judicial system.

Since the MSLF will be a non-profit, public-interest law firm, supported only by private donations, your participation will be vital to our success. We need this participation in two ways. First, we need tax-deductible contributions to establish an experienced and dedicated legal staff; and, secondly, we need input from you and your Company regarding areas in which litigation would be of benefit to the broad public interest. Contributions can be earmarked for the formation of the MSLF by making your check payable to the National Legal Center for the Public Interest and sending it to our office at 1845 Sherman Street, Suite 600, Denver, Colorado 80203.

If you desire any additional information, or if our office can assist you in any way, please let me know. I hope that you will join with us in support of this noble cause.

Sincerely,

Clifford L. Rock  
Vice President-Public Affairs

CLR/gd

Enclosure





## NATIONAL LEGAL CENTER FOR THE PUBLIC INTEREST

1101 17TH STREET, N.W. / WASHINGTON, D.C. 20036 / SUITE 810 / 202 296-1683

### EXHIBIT A

TO: Leonard J. Theberge, President  
National Legal Center for the Public Interest  
1101 - 17th Street, N.W., Suite 810  
Washington, D.C. 20036

Dear Mr. Theberge:

Yes, I'm interested in the mission of the NLCPI and the establishment of the Mountain States Legal Foundation as checked below:

- ☐ Please send further information on the NLCPI as a tax-exempt non-profit foundation, under Section 501 (c)(3) of the Internal Revenue Code.
- ☐ Send details on working with one of the Advisory Councils.
- ☐ A contribution to NLCPI is being considered; please send me a full description of your goals and current programs.
- ☐ Keep me informed on the organization of the Mountain States Legal Foundation and what assistance is needed.
- ☐ Telling the NLCPI story to friends, business associates or my chamber or association is a possibility. Please contact me for further information.

. . . . .  
Name: \_\_\_\_\_

Organization: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Business Phone: \_\_\_\_\_  
(Area Code) (Number)

EXHIBIT B

DIRECTORS

Joseph Coors	Adolph Coors Company Golden, Colorado 80401	Vice Chairman
Karl Eller	Combined Communications Corporation 411 North Central Avenue Phoenix, Arizona 85002	President
Harley Harmon	Valley National Bank of Nevada P. O. Box 15427 Las Vegas, Nevada 89114	Vice President
E. T. Herman	Pacific Freeport Warehouse P. O. Box 607 Sparks, Nevada 89431	President
James S. Holmberg	Security Life Building Denver, Colorado 80202	Attorney
William B. Kottlinger, III	Paine, Webber, Jackson & Curtis P. O. Box 3117 Reno, Nevada 89505	Vice President
Leonard J. Theberge	National Legal Center for the Public Interest 1101-17th Street, N.W. Suite 810 Washington, D.C. 20036	President
J. A. Westman	Universal Industries, Inc. P. O. Box 6446, Station B Albuquerque, New Mexico 87107	President

OFFICERS

* To Be Selected	1845 Sherman Street Suite 600 Denver, Colorado 80203	President
Clifford L. Rock	1845 Sherman Street Suite 600 Denver, Colorado 80203	Vice President of Public Affairs
James S. Holmberg	Security Life Building Denver, Colorado 80202	Secretary, Treasurer
Janet Lee	1845 Sherman Street Suite 600 Denver, Colorado 80203	Assistant Secretary, Treasurer



MOUNTAIN STATES  
LEGAL FOUNDATION

1845 Sherman St. • Denver, CO 80203 • (303) 861-0244

EXHIBIT C

Form 1023, Page 5  
Question Part V

Mountain States Legal Foundation has not yet received any contributions as a corporate entity. Contributions are being made to the National Legal Center for the Public Interest (NLCPI) in Washington, D.C. and are being earmarked for use by NLCPI to assist in the establishment of Mountain States Legal Foundation.

To date and through June 1, 1977, the sums received by NLCPI on behalf of Mountain States Legal Foundation and the amounts expended are as follows:

Gross contributions received	\$58,876.00
Expenses:	
Rent	1,495.00
Furnishings	2,350.00
Miscellaneous Office Equipment	3,926.56
Supplies, Postage, etc.	
Telephone	669.06
Director's Salary	10,800.00
Secretarial Services	3,450.00
Travel Expenses	<u>3,729.08</u>
Total Expenditures	\$26,419.70
Balance	\$32,456.30

## EXHIBIT D

MSLF intends to file an Amicus Curiae brief before the U. S. Supreme Court in the Barlow vs. Usery case. Mr. Barlow, a small contractor, is challenging OSHA inspections as a violation of his Fourth Constitutional Amendment which guarantees freedom from unreasonable searches. MSLF will argue in favor of Barlow's position in the name of the public interest.

MSLF anticipates filing an Amicus Curiae brief, DiLeo vs. University of Colorado, No. 27455, in the Supreme Court of the State of Colorado. In this reverse discrimination case, MSLF will attempt to prove that classification by race, however it is implemented, is a denial of equal protection and in violation of Title 6 of the Civil Rights Act of 1964.